UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET S.W
ATLANTA, GEORGIA 30303-8960

VIA ELECTRONIC MAIL

Gregory Kuntz
Area Environmental Manager, Southeast Area
Commercial Metals Company
2308 Two Notch Road
Lexington, South Carolina 29072
Gregory.Kuntz@cmc.com

Dear Mr. Kuntz:

On July 16, 2021, the Environmental Protection Agency Region 4 Air Enforcement Branch conducted a partial compliance inspection of Commercial Metals Company, located in Lexington, South Carolina. Enclosed is a copy of the final report generated by the U.S. EPA's Region 4, South Air Enforcement Section.

Should you have any questions regarding this inspection report, contact me at (404) 562-9055, or by email at Bergl.Katelyn@epa.gov.

Sincerely,

KATELYN BERGL
Digitally signed by KATELYN BERGL
Date: 2021.08.10 11:36:03 -04'00'

Katelyn Bergl Environmental Engineer South Air Enforcement Section

CC: Michael Shroup
South Carolina Department of Health and Environmental Control
SHROUPMD@DHEC.SC.GOV

ENCLOSURE
INSPECTION REPORT

United States Environmental Protection Agency (EPA) Region 4
Air Enforcement Branch
Inspection Report

I. GENERAL INFORMATION

Facility Name: Commercial Metals Company

Location (Address): 2308 Two Notch Road, Lexington, South Carolina

Inspection Date: July 16, 2021

Type of Inspection (Full or Partial Compliance Evaluation):
Partial Compliance Evaluation

ICIS-Air Number: SC00015600114

EPA Region 4 Investigator(s)/Inspector(s):
1. Katelyn Bergl, Environmental Engineer
2. Steve Rieck, Environmental Scientist
3. Kevin Taylor, Environmental Engineer
4. Bethany Terpin, Environmental Scientist

State/Local Investigator(s)/Inspector(s):
1. Rachel Burrows, Environmental Health Manager, South Carolina Department of Health and Environmental Control (SCDHEC)

Person(s) Contacted at Facility (Name and Title):
1. Gregory Kuntz, Area Environmental Manager, Southeast Area
2. AJ Ramos, Plant Manager
3. Alan Gillespie, Regional Environmental Manager, East Region
4. Peter Pozzo, Environmental Manager
5. Robert Roe, Area Manager
6. Cody Lovett, Environmental Technician
7. Kathy Ferry, KJF Consulting

Report Prepared by: Katelyn Bergl

II. FACILITY INFORMATION

A. Facility and Permit Information

Facility and Permit Information	Comments
1. Type of facility (e.g., chemical plant, refinery, cement manufacturer, etc.).	Recyclable Material Merchant Wholesalers; Automobile and Scrap Metal Shredding
2. Air permit number(s) and type of permit (e.g., Title V, PSD, Synthetic Minor, etc.).	State Operating permit # SOP-1560-0114
3. Air permit issuance date.	10/09/2019
4. Air permit expiration date.	No Expiration Date
5. Facility classification (Major, Synthetic Minor/Conditional Major, Minor).	Minor Source
6. Major source pollutants (if applicable).	N/A
7. Applicable regulations (e.g., State Implementation Plan, MACT Subpart FFFF, NSPS Subpart EEEE, etc.).	State Implementation Plan 40 CFR Part 82
8. Types of air emission points (e.g., tanks, process vents, boilers, etc.).	Metal Shredder Hammer Mill
9. Types of air pollution control equipment (e.g., baghouse, scrubber, afterburner, etc.).	Water Spraying and foam injection at the hammer mill for particulate matter

B. Process Description

Commercial Metals Company (CMC), Inc. owns and operates a scrap metal recycling facility in Lexington, South Carolina. The facility serves an approximate 100-mile radius, providing scrap metal recycling services for industrial businesses, small businesses, and individuals. The facility purchases scrap metal materials, including automobiles, white

goods, and tin scrap, from industrial suppliers as well as the general public, referred to as peddlers.

After purchase, metal scrap is sorted and prepared for recycling at the facility to be sent to the facility's wire chopper machine operation or metal shredder operation. The facility operates a 98", 6,000 horsepower Metso metal shredder permitted to process 300 tons of scrap per hour. The metal shredder is equipped with a water spraying system and a foam injection system to prevent fires and minimize heat. Scrap that has been shredded through the metal shredder is separated by downstream processing into ferrous, nonferrous, and automotive shredder residue (ASR). After the metal scrap has been processed it will be sold to recycled scrap metal buyers.

III. INSPECTION ACTIVITIES

Activity	Yes No NA	Comments
Opening Meeting		
1. Date and time entered the facility.	Y	EPA Region 4 (R4) inspectors arrived at the facility on July 16, 2021 at 9:00 AM EDT.
2. Credentials presented to facility personnel (include name and title).	Y	All inspectors presented their credentials to Gregory Kuntz, Area Environmental Manager
3. Conducted an opening meeting to explain the purpose and objectives of the inspection.	Y	Inspectors held a virtual opening meeting via Microsoft Teams on July 15, 2021 at 3:00 PM EDT during which the purpose and objectives of the inspection were explained.
4. Discussed safety issues.	Y	Inspectors discussed facility-specific safety and emergency procedures, including procedures for COVID-19 safety during the inspection.
5. Discussed which records to be reviewed.	Y	Review of facility records was discussed. The following records were provided to EPA for review: - Commercial Supplier Contracts - Shredder processing records

Activity	Yes No NA	Comments
6. Discussed the facility walk-through and the areas to be observed in the facility.	Y	Inspectors were primarily interested in inspection of the metal shredder operation and refrigerant handling procedures. EPA R4 would be using a forward-looking infrared (FLIR) camera.
7. Discussed facility policy regarding photographs or video (if applicable).	Y	Region 4 inspectors discussed facility policy regarding photography and videography. Although the facility has a no-photography policy, they agreed to allow EPA's use of the FLIR camera to gather photographs and videos. Inspectors indicated that copies of any videos or photographs taken at the facility would be sent to the company.
8. Discussed the use of the infrared camera, TVA, PID, and any other equipment.	Y	Region 4 inspectors communicated the use of the FLIR camera.
9. Discussed CBI.	Y	EPA inspectors indicated that any material claimed to be Confidential Business Information (CBI) would be treated in accordance with regulations.
Records Reviewed at the Facility		
10. The types of records reviewed, and the time period reviewed.	Y	Contracts entered into by commercial scrap suppliers with CMC were inspected. The facility agreed to provide EPA with a blank commercial contract via electronic mail. The facility also agreed to provide EPA with 3 years of shredder scrap metal processing records.
Facility Walk-Through Observations		

11. The process equipment observed and the associated operational rate observed (e.g., Furnace 1 production rate was 5 lbs/hr on 1/1/15, at 2:00 pm – permit requires max rate at 6 lbs/hr). Provide the date and time the information was recorded by the inspector. Identify the permit limit (if applicable). An attachment may be used for a large amount of information.	Y	EPA Region 4 inspectors conducted an inspection of process areas, including the metal shredder operations, scrap inspection process, commercial supplier scrap intake, general public scrap intake, and refrigerant and automobile fluid recovery operations. The facility purchases scrap metal materials, including automobiles, white goods, and tin scrap, from industrial suppliers as well as the general public, referred to as peddlers. There are two separate entrances for scrap intake at the facility: one for commercial suppliers, and another for the general public. Commercial suppliers are required to enter into a contract with CMC to certify adherence with CMC's scrap requirements. General public suppliers do not enter into a similar contract. CMC provides ozone depleting substance (ODS) recovery and recycling services on site for general public suppliers. The refrigerant recovery equipment and operations were observed by EPA inspectors and had the capability to remove refrigerants from both cars and appliances. A credentialed technician was at the facility at the time of the inspection. The facility also monitors incoming scrap for radioactive materials at the intake points and at various stages within the facility. Once scrap is received at the facility it is inspected by a dedicated scrap inspector prior to recycling. Scrap inspectors are tasked with ensuring materials have been properly processed, separating materials that need additional processing before being shredded, and discarding materials that are not suitable for metal shredding. Materials that may be set aside for further processing

Activity	Yes No NA	Comments
		include propane tanks, fluid containing cars and appliances, and materials which are too large or dense to be processed through the metal shredder and must be downsized before recycling. After the metal scrap has been sorted by the scrap inspectors and prepared for recycling, the scrap will either be sent to the facility's wire chopper machine operation or metal shredder operation. The facility operates a 98" 6,000 horsepower Metso metal shredder permitted to process 300 tons of scrap per hour. The metal shredder is equipped with a water spraying system and a foam injection system to prevent fires and minimize heat. Scrap that has been shredded through the metal shredder is separated by downstream processing into ferrous materials, nonferrous materials, and automotive shredder residue (ASR). Facility personnel indicated that 15,000 tons of scrap per month are processed through the shredder.

Activity	Yes No NA	Comments
12. The type of process parametric monitoring observed and the associated value observed (e.g., Furnace 1 flux injection rate was 200 lbs/batch at 1/1/15, at 2:00 pm – permit requires max rate at 225 lbs/batch). Provide the date and time the information was recorded by the inspector. Identify the permit limit (if applicable). An attachment may be used for a large amount of information.	N/A	
13. If process equipment or parametric monitoring equipment was not operating, state the reason by facility personnel why the equipment was not operating.	N/A	

Activity	Yes No NA	Comments
14. The type of air pollution control equipment, the process equipment it is controlling, and the associated parametric monitoring value observed (e.g., baghouse pressure drop, temperature, scrubber flow rate, etc.). (For example - RTO 1 controlling furnace 1, 1,500 degrees F on 1/1/15, at 2:00 pm – permit requires 1,400 degree F or higher). Provide the date and time the information was recorded by the inspector. Identify the permit limit (if applicable). An attachment may be used for a large amount of information.	Y	The facility operates a water spraying system at the shredder. The primary function is heat reduction, but it is also used to reduce particulate matter emissions.

Activity	Yes No NA	Comments
15. Continuous emissions monitoring devices and values observed. (e.g., CEMS, COMs, etc.). Provide the date and time the information was recorded by the inspector. Identify the permit limit (if applicable). An attachment may be used for a large amount of information.	N/A	
16. If air pollution control equipment was not operating, state the reason by facility personnel why the equipment was not operating.	N/A	
17. Capture and collection system (enclosures and hoods) observations, if applicable (e.g., the magnitude and duration of emission escaping capture from the hood).	N/A	

Activity	Yes No NA	Comments
18. Ductwork transferring the emissions to the air pollution control device observations, if applicable (e.g., the magnitude and duration of emission escaping from the ductwork, holes or deterioration in ductwork, no deterioration observed, etc.).	N/A	
19. Any existing unpermitted emission points, new unpermitted emission points, or non-permitted construction activities observed. (if yes, describe in the comments field).	N	The company was informed of the EPA's potential concern of VOC emissions from metal shredders.
20. Were any visible emissions observed? (if yes, identify the location and equipment).	N	
21. Was a Method 9 reading performed? (if yes, identify the location and equipment).	N	
22. Was the cause of the visible emissions investigated and the information documented?	N/A	

Activity	Yes No NA	Comments
23. Was a Method 22 performed for visible emissions? (if yes, identify the location and equipment).	N	
24. Identify the cause of the visible emissions as explained by facility personnel, if applicable.	N/A	
25. Was the infrared camera used? If so, attach the video log (which includes the equipment ID, and the date and time the video was recorded) and videos to this report.	Y	EPA R4 inspectors used a FLIR camera at the facility. The video and photograph log is provided in Appendix A.
26. Was the TVA used? If so, identify the equipment monitored and the results. Provide the date and time the information was recorded by the inspector. Include actual instrument readings for each piece of equipment monitored above the leak definition and/or where the infrared camera identified a release. An attachment may be used for a large amount of information.	N	EPA R4 inspectors did not use a TVA at the facility.

Activity	Yes No NA	Comments
27. Was the PID used? If so, identify how the PID was used and the results. Provide the date and time the information was recorded by the inspector. An attachment may be used for a large amount of information.	N	EPA R4 inspectors did not use a PID at the facility.
Closing Meeting		
28. Conducted a closing meeting.	Y	EPA Region 4 inspectors conducted a closing meeting on July 16, 2021 at 11:30 AM EDT with CMC employees and the SCDHEC inspector.
29. Summarize any additional information needed, if applicable?	Y	Facility personnel agreed to send additional documents to EPA, including: - Commercial Supplier Contracts - Shredder processing records
30. Accept a declaration of CBI, if applicable?	N/A	
31. Discussed observations.	Y	Inspectors thanked facility personnel for their time and summarized inspection activities. The company was informed of the EPA's potential concern of VOC emissions from metal shredders.
32. Discussed next steps, if applicable?	Y	A final inspection report from EPA Region 4 will be sent to the company within a 60-day timeframe. Document requests were discussed.
33. Date and time inspection concluded.		The inspection concluded on July 16, 2021 at approximately 12:00 PM EDT.
Miscellaneous		

Activity	Yes No NA	Comments
34. Include any additional observations, if applicable.	N/A	

EPA Investigator/Inspector Signature: KATELYN BERGL Digitally signed by KATELYN BERGL Date: 2021.08.10 11:36:55 -04'00'

EPA Supervisor Signature & Title: TODD GROENDYKE Digitally signed by TODD GROENDYKE Date: 2021.08.10 12:10:18 -04'00'

Chief, South Air Enforcement Section

Date Report Finalized: 8/10/2021

APPENDICES AND ATTACHMENTS

1. Appendix A. Inspection Video and Photograph log

Appendix A: Inspection Video and Photograph log

During the July 16, 2021 inspection, EPA Region 4 staff used an infrared camera to take photographs and videos at the CMC facility located in Lexington, South Carolina. Below is an inventory of the footage.

Table 1: Photographs and Videos taken during the July 16, 2021, inspection.

File Number	Video/Image Description
MOV_1000.mp4	Scrap Yard
MOV_1001.mp4	Scrap Yard Entrance
MOV_1006.mp4	Shredder Operation
MOV_1007.mp4	Shredder Operation
MOV_1010.mp4	Shredder Operation
DC_1003.jpg	Scrap pile
DC_1004.jpg	Shredder Operation
DC_1005.jpg	Shredder Operation
DC_1008.jpg	Shredder Operation
DC_1009.jpg	Shredder Operation
DC_1011.jpg	Heavy scrap pile
DC_1012.jpg	Unprocessed Appliances
DC_1013.jpg	Vehicle Processing Operations
DC_1014.jpg	Vehicle Processing Operations